

**M e m o r a n d u m****435.1050**

To: Mr. Robert Nunes

Date: May 6, 1976

From: T. P. Putnam

Subject: Purchases of Wrapping Paper by Meat Processors

After reviewing your proposed letter to Mr. William Andretto of the California Association of Meat Processors, I have concluded that meat processors who carve or dress meat for consumption by customers who furnish the meat are making "sales" within the meaning of Section 6006(b) of the Revenue and Taxation Code, i.e., they are processing tangible personal property for a consideration for consumers who furnish the materials used. The sale is exempt under Section 6359 as the sale of a food product. The paper used by the processor to wrap the meat should be regarded as sold along with the meat as a nonreturnable container. Accordingly, the purchase and sale of the paper is exempt under Section 6364.

This conclusion appears to be consistent with Business Taxes Law Guide Anno. 435.0540, but not with Anno. 195.1300. The cleaning and picking of ducks and other game birds brought in by customers should be regarded as a processing -sale" and the paper in which they are wrapped as an exempt container, the same as in the case of the above described meat processing.

This memo will be annotated and Anno. 195.1300 will be deleted.

TPP:lb

Cc: Mr. John H. Murray  
Mr. Glenn L. Rigby